

FINANCIAL STATEMENTS

STODDERT SOCCER LEAGUE, INC.

**FOR THE YEAR ENDED JUNE 30, 2009
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2008**

STODDERT SOCCER LEAGUE, INC.

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GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Stoddert Soccer League, Inc.
Washington, D.C.

We have audited the accompanying statement of financial position of the Stoddert Soccer League, Inc. as of June 30, 2009, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Stoddert Soccer League, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Stoddert Soccer League, Inc.'s financial statements for the year ended June 30, 2008 and, in our report dated November 3, 2008, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Stoddert Soccer League, Inc. as of June 30, 2009, and its change in net assets and its cash flows for the year ended then ended in conformity with accounting principles generally accepted in the United States of America.

Gelman Rosenberg & Freedman

November 9, 2009

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STODDERT SOCCER LEAGUE, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2009
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2008

ASSETS		<u>2009</u>	<u>2008</u>
CURRENT ASSETS			
Cash and cash equivalents		\$ 1,006,330	\$ 1,036,945
Inventory		5,410	7,056
Prepaid expenses		<u>45,396</u>	<u>26,358</u>
Total current assets		<u>1,057,136</u>	<u>1,070,359</u>
FIXED ASSETS			
Equipment		17,233	15,997
Less: Accumulated depreciation		<u>(11,601)</u>	<u>(8,978)</u>
Net fixed assets		<u>5,632</u>	<u>7,019</u>
TOTAL ASSETS		<u>\$ 1,062,768</u>	<u>\$ 1,077,378</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ 11,145	\$ 2,259
Deferred revenue:			
Registration		204,316	267,635
Field		144,220	92,405
Other current liabilities		<u>4,633</u>	<u>4,699</u>
Total current liabilities		<u>364,314</u>	<u>366,998</u>
NET ASSETS			
Unrestricted		<u>698,454</u>	<u>710,380</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 1,062,768</u>	<u>\$ 1,077,378</u>

See accompanying notes to financial statements.

STODDERT SOCCER LEAGUE, INC.

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2008**

	<u>2009</u>	<u>2008</u>
REVENUE		
Application and other fees	\$ 1,281,322	\$ 1,205,527
Services	35,056	42,867
Contributions	63,510	70,298
Interest/dividend income	19,191	26,023
Other revenue	<u>6,928</u>	<u>13,941</u>
Total revenue	<u>1,406,007</u>	<u>1,358,656</u>
EXPENSES		
Program Services	1,206,851	1,091,142
Management and General	<u>211,082</u>	<u>230,538</u>
Total expenses	<u>1,417,933</u>	<u>1,321,680</u>
Change in net assets	(11,926)	36,976
Net assets at beginning of year	<u>710,380</u>	<u>673,404</u>
NET ASSETS AT END OF YEAR	<u>\$ 698,454</u>	<u>\$ 710,380</u>

STODDERT SOCCER LEAGUE, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2009
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2008**

	2009			2008
	Program Services	Management and General	Total Expenses	Total Expenses
Staff payroll expenses	\$ 136,941	\$ 73,439	\$ 210,380	\$ 195,948
Coaching fees	506,329	-	506,329	477,467
Referee fees	50,590	-	50,590	51,027
Professional and player development	70,708	1,192	71,900	42,820
Postage and courier	270	1,010	1,280	1,773
Travel and meetings	3,533	3,575	7,108	11,964
Awards and events and gifts	4,841	8,065	12,906	4,943
Registration expenses	13,985	-	13,985	14,745
Occupancy	66	10,880	10,946	2,435
Printing and brochures	867	-	867	657
Office supplies	216	2,549	2,765	1,375
Bank and credit card fees	34,811	761	35,572	29,261
Communications	801	15,062	15,863	14,216
Accounting fees and legal	-	25,719	25,719	21,161
Membership fees	102,341	22,815	125,156	116,219
Equipment and uniforms	166,496	1,915	168,411	179,666
DC Scores	9,144	4,100	13,244	2,370
DC Parks and Recreation	4,745	2,713	7,458	-
DC United/Washington Freedom Tickets	-	12,785	12,785	-
Scholarships	9,950	-	9,950	4,512
City FC	1,597	-	1,597	-
Fields costs	86,764	15,623	102,387	125,004
Depreciation	625	1,998	2,623	2,705
Miscellaneous	1,231	6,881	8,112	21,412
TOTAL	\$ 1,206,851	\$ 211,082	\$ 1,417,933	\$ 1,321,680

STODDERT SOCCER LEAGUE, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2008**

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (11,926)	\$ 36,976
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	2,623	2,705
(Increase) decrease in:		
Accounts receivable	-	3,747
Inventory	1,646	(285)
Prepaid expenses	(19,038)	4,885
Increase (decrease) in:		
Accounts payable and accrued liabilities	8,886	(12,651)
Deferred revenue	(11,504)	44,277
Other current liabilities	<u>(66)</u>	<u>(254)</u>
Net cash provided (used) by operating activities	<u>(29,379)</u>	<u>79,400</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	<u>(1,236)</u>	<u>(1,523)</u>
Net cash used by investing activities	<u>(1,236)</u>	<u>(1,523)</u>
Net increase (decrease) in cash and cash equivalents	(30,615)	77,877
Cash and cash equivalents at beginning of year	<u>1,036,945</u>	<u>959,068</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,006,330</u>	<u>\$ 1,036,945</u>

See accompanying notes to financial statements.

STODDERT SOCCER LEAGUE, INC.

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Stoddert Soccer League, Inc. is a nonprofit organization, incorporated under the laws of the District of Columbia. This youth soccer organization, with approximately 4,500 participants from the metropolitan Washington, D.C. area, is supported primarily through registration fees. The mission of the largely volunteer organization is to provide a high quality athletic program, that is open to every child or young adult that wants to play, from ages 5-18. The majority of the Stoddert Soccer League, Inc.'s participants play in an open recreational league. The Stoddert Soccer League, Inc. also runs a select, or "travel" program for committed players, and offers an array of training opportunities for players, coaches, and referees. The Stoddert Soccer League, Inc. also provides scholarship opportunities for participants in all of its programs and actively supports the Jelleff Boys and Girls Club and DC Scores, an after-school soccer and reading program.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations".

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

Cash and cash equivalents -

The Stoddert Soccer League, Inc. considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

At times during the year, the Stoddert Soccer League, Inc. maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk in these situations to be minimal.

Fixed assets -

Fixed assets in excess of \$500 are stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to seven years. The cost of maintenance and repairs is recorded as expenses are incurred.

Income taxes -

The Stoddert Soccer League, Inc. is exempt from Federal income taxes under Section 501()(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Stoddert Soccer League, Inc. is not a private foundation.

STODDERT SOCCER LEAGUE, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Uncertain tax positions -

In June 2006, the Financial Accounting Standards Board (FASB) released FASB Interpretation No. (FIN) 48, *Accounting for Uncertainty in Income Taxes*. FIN 48 interprets the guidance in FASB Statement of Financial Accounting Standards (SFAS) No. 109, *Accounting for Income Taxes*. When FIN 48 is implemented, reporting entities utilize different recognition thresholds and measurement requirements when compared to prior technical literature. On December 30, 2008, the FASB Staff issued FASB Staff Position (FSP) FIN 48-3, *Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises*. As deferred by the guidance in FSP FIN 48-3, the Stoddert Soccer League, Inc. is not required to implement the provisions of FIN 48 until fiscal years beginning after December 15, 2008. As such, the Stoddert Soccer League, Inc. has not implemented those provisions in the 2009 financial statements.

Since the provisions of FIN 48 have not been implemented in accounting for uncertain tax positions, the Stoddert Soccer League, Inc. continues to utilize its prior policy of accounting for these positions, following the guidance in SFAS No. 5, *Accounting for Contingencies*. Disclosure is not required of a loss contingency involving an unasserted claim or assessment when there has been no manifestation by a potential claimant of an awareness of a possible claim or assessment unless it is considered probable that a claim will be asserted and there is a reasonable possibility that the outcome will be unfavorable. Using that guidance, as of June 30, 2009, the Stoddert Soccer League, Inc. has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Inventory -

Inventory consists of soccer balls, which are recorded at lower of cost or market using the average cost method of inventory.

Net asset classification -

Unrestricted net assets include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Stoddert Soccer League, Inc. and include both internally designated and undesignated resources.

Contributions -

Contributions are recorded as revenue in the year notification is received from the donor. Contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Use of estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

STODDERT SOCCER LEAGUE, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Deferred revenue -

Fees received in advance for subsequent years are recorded as deferred revenue in the accompanying Statement of Financial Position.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

2. LEASE COMMITMENT

In June of 2009, the Stoddert Soccer League, Inc. signed a one (1) year lease agreement, for use of administrative and field facilities, with the Boys & Girls Clubs of Greater Washington.

Year Ended June 30,

2010

\$ 32,000

3. SCHOLARSHIPS

The Stoddert Soccer League, Inc. provides full and partial scholarships to players participating in all programs based on specified need criteria. During the year ended June 30, 2009, the Stoddert Soccer League, Inc. provided \$114,680 in non-cash scholarships to 690 players. These scholarships are not reflected in the accompanying financial statements.

4. SUBSEQUENT EVENTS

In preparing these financial statements, the Stoddert Soccer League, Inc. has evaluated events and transactions for potential recognition or disclosure through November 9, 2009, the date the financial statements were issued.